

## ***NEWS RELEASE***

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### **DeNUCCI SAYS SURCHARGE LAPSE COSTS LEAD PAINT FUND UP TO \$429,000**

State Auditor Joe DeNucci reported today that the state lost as much as \$429,000 in potential revenue for the Childhood Lead Poisoning Prevention Program because the Division of Insurance (DOI) did not bill insurance agents for a required annual surcharge.

DeNucci's audit said 17,150 property and casualty agents were not billed for the \$25 surcharge during 2000 as required by law. As a result, these funds were not made available to the Lead Paint Education and Training Trust Account, which provides funding for educational materials related to lead poisoning prevention as well as training of lead paint inspectors and homeowners.

The trust fund, maintained by the Department of Public Health, is also funded through surcharges on license fees for real estate brokers, mortgage brokers and lenders, and professionals who perform de-leading services and lead inspections.

Division of Insurance officials indicated that the billing delay resulted from the department's involvement with other major priorities, a staff shortage and a new information system manager who was unfamiliar with the surcharge priorities. After meeting with DeNucci's audit staff, state officials agreed the issue needed to be addressed and the billings in question were sent out in June of this year.

Another audit issued by DeNucci earlier this year disclosed the failure of private laboratories to promptly report lead poisoning test results to DPH.

"The lead poisoning program is very important to the protection of our children and it is essential that the program is funded adequately," said DeNucci. "I urge the Division of Insurance to process all required surcharges on a timely basis, and I call on the Department of Public Health to be more proactive in ensuring that the lead paint trust account is fully funded."

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